

**First Union Rail Corporation**

One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, Illinois 60018-4214  
847 318-7575  
Fax 847 318-7588

VIA UPS NEXT DAY AIR



October 6, 1999

Mr. Vernon E. Williams  
Surface Transportation Board  
1925 K Street, N.W., Room 704  
Washington, DC 20423-0001  
Attn: Recordation of Railroad Equipment

RECORDATION NO. 22467 FILED

OCT 18 '99

3-00 PM



**Re: Memorandum of Lease Agreement**

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated June 25, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Dakota Minnesota & Eastern Railroad  
Company  
337 22<sup>nd</sup> Avenue South  
Brookings, SD 57006

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

A handwritten signature in cursive script that reads "Tiffany Chase".

Tiffany Chase  
Manager of Documentation

Enclosures

(DME004)

**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

NUMBER OF CARS: Two

DESCRIPTION OF CARS: 100-Ton , 73 ft. Centerbeam Flatcars

CAR NUMBERS: CRBY 2156, 2157

EXHIBIT A  
to  
RIDER NO. 4RECORDATION NO. 22467 FILED  
OCT 18 '99 3-00PM

## MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 25<sup>th</sup> day of June, 1999, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Dakota Minnesota & Eastern Railroad Company ("Lessee"), a South Dakota corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of June 23, 1998, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 4 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of July 22, 1999 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

## LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. SeymourName: RICHARD F. SEYMOUR  
Title: Vice President Sales & MarketingBy: K.A. DombrowskiName: K.A. DOMBROWSKITitle: DIRECTOR OF DOCUMENTATION Executed on this 9<sup>th</sup> day of Aug., 1999.

[CORPORATE SEAL]

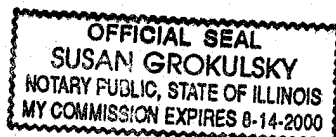
STATE OF ILLINOISCOUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 9<sup>th</sup> day of August, 1999.

Susan Grokulsky  
Notary Public

My Commission Expires:

8-14-2000  
(Notary Public)

**LESSEE:**

DAKOTA MINNESOTA & EASTERN RAILROAD CORPORATION

By: John B Gabel

Name: JOHN B GABEL

Title: GEN MGR RAILCAR FLEET

**ATTEST:**

By: Deanna Sneve

Name: Deanna Sneve

Title: Secretary

Executed on this 13 day of July, 1999.

[CORPORATE SEAL]

STATE OF South Dakota

COUNTY OF Brookings

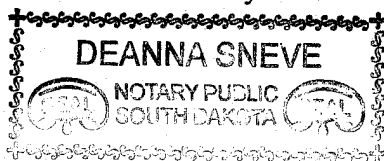
I, Deanna Sneve, a Notary Public of the County and State aforesaid,  
certify that John B. Gabel personally appeared before me this day and acknowledged his due  
execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 13 day of July, 1999.

Deanna Sneve  
Notary Public

Commission Expires:

June 2, 2005  
(Notary Public)



**My Commission Expires: June 2, 2005**